



Request for Expression of Interest (RFEI) Lexington Depot District

Issued by:
City of Lexington
31 West 1st Street
Lexington, NC 27292

Issued on:
July 22, 2014
Amendment 01:
August 5, 2014

Due Date:  **October 17, 2014**





Lexington Depot District

SUMMARY OF THE PROCESS

The City of Lexington, located in Davidson County, North Carolina, envisions the Depot District as a financially successful public/private mixed-use extension of Uptown Lexington and the surrounding neighborhoods that will provide a gathering place for visitors and residents alike within a multi-modal environment that embraces many cultures, and generations and connects them through enhance transit options to the outside world. The Depot District consists of an approximately 125-acre planning area defined by 35 blocks situated within and adjacent to Uptown Lexington. The former Lexington Home Brands – Plant #1 (LHB) furniture manufacturing complex (approximately one million square feet) is situated on approximately 18 acres within the Depot District. The LHB closed operations in 2003, and in May 2007, the entire property was purchased by the City to guard against decline and ensure positive redevelopment focused around and supporting current planning for the future multi-modal transportation station - known as the Yadkin Valley Station.

The City is interested in formulating public/private partnerships and entering into (an) agreement(s) with a private Developer(s) or Contractor(s), for specific projects within the former LHB property which achieves the City's objectives in a manner most advantageous to the City's finances and planning initiatives.


The City's goal is to use this RFEI process as a means of identifying interested and qualified Developers and/or Contractors. The City would develop a shortlist from RFEI respondents to whom a subsequent Request for Proposals (RFP) would be issued. Only those firms shortlisted from the RFEI process may be asked to respond to the RFP. It is the City's intention to enter into exclusive negotiations with the firm(s) selected from the RFP.

Obtaining the RFEI

The RFEI document will be made available to interested parties electronically via the following link:
<https://shookkelley.sharefile.com/d/s6a8d557630a4ac6a>

Note: The RFEI Document contains additional links to all supporting materials.

Submission Deadline

Responses to this RFEI must be received no later than **5:00 pm, October 17, 2014.** 

Submission Requirements

Responses to this RFEI must include information regarding the development team, vision and development strategy for the District, relevant project experience, and financial capabilities. Full detail of the requirements and schedule can be found in this RFEI document. The City reserves the right to request additional information.

Project Contact

Submittals should be sent to and please direction any questions you have about this RFEI to:

Tammy V. Absher, AICP
Director of Business & Community Development
City of Lexington
31 West 1st Street
Lexington, NC 27292
(336) 479-0122
Email: TVAbsher@LexingtonNC.gov

Written and/or Emailed questions and/or inquiries are preferred for City response. Any verbal discussions or statements are not necessarily binding upon the City.



I. PURPOSE

The City of Lexington, North Carolina is soliciting qualifications and a statement of interest from experienced real estate Developers and/or Contractors for the preparation of plans and their implementation for specific Project Categories defined by the City and located on the City-owned property situated within the Depot District adjacent to Uptown Lexington, North Carolina.

II. INTENT

This RFEI may result in a short-list of Developers and/or Contractors who would be invited to an interview, which could result in:

- (a) the selection of a preferred Developer(s) and/or Contractor(s); or,
- (b) the issuance of a Request for Proposals (RFP) to prequalified Developer(s) and/or Contractor(s).

The City of Lexington intends, but is not obligated, to use this process as the first step in selecting Developer(s) and/or Contractor(s) to whom it will award negotiating rights and reserves the right to waive any inconsistencies and take actions that optimize the benefits to the City.

III. DUE DATE

RFEI submissions shall include concise and non-elaborate response with supporting materials (see Submission Requirements). Submissions will be accepted up until **5:00 pm, October 17, 2014** and should be sent to:



Tammy V. Absher, AICP
Director of Business & Community Development
City of Lexington
31 West 1st Street
Lexington, NC 27292

IV. PROJECT INTRODUCTION

By way of introduction, the following link provides a comprehensive outline and overview of the City's ongoing and upcoming planning initiatives, along with a context of existing characteristics within a range of designated geographic areas that must be considered relative to each Project Category: <https://shookkelley.sharefile.com/d/s024894a8b6344ef9>

1.0 PROJECT INTRODUCTION

1.1 Background

- 1.1.1 TIGER II Planning Grant

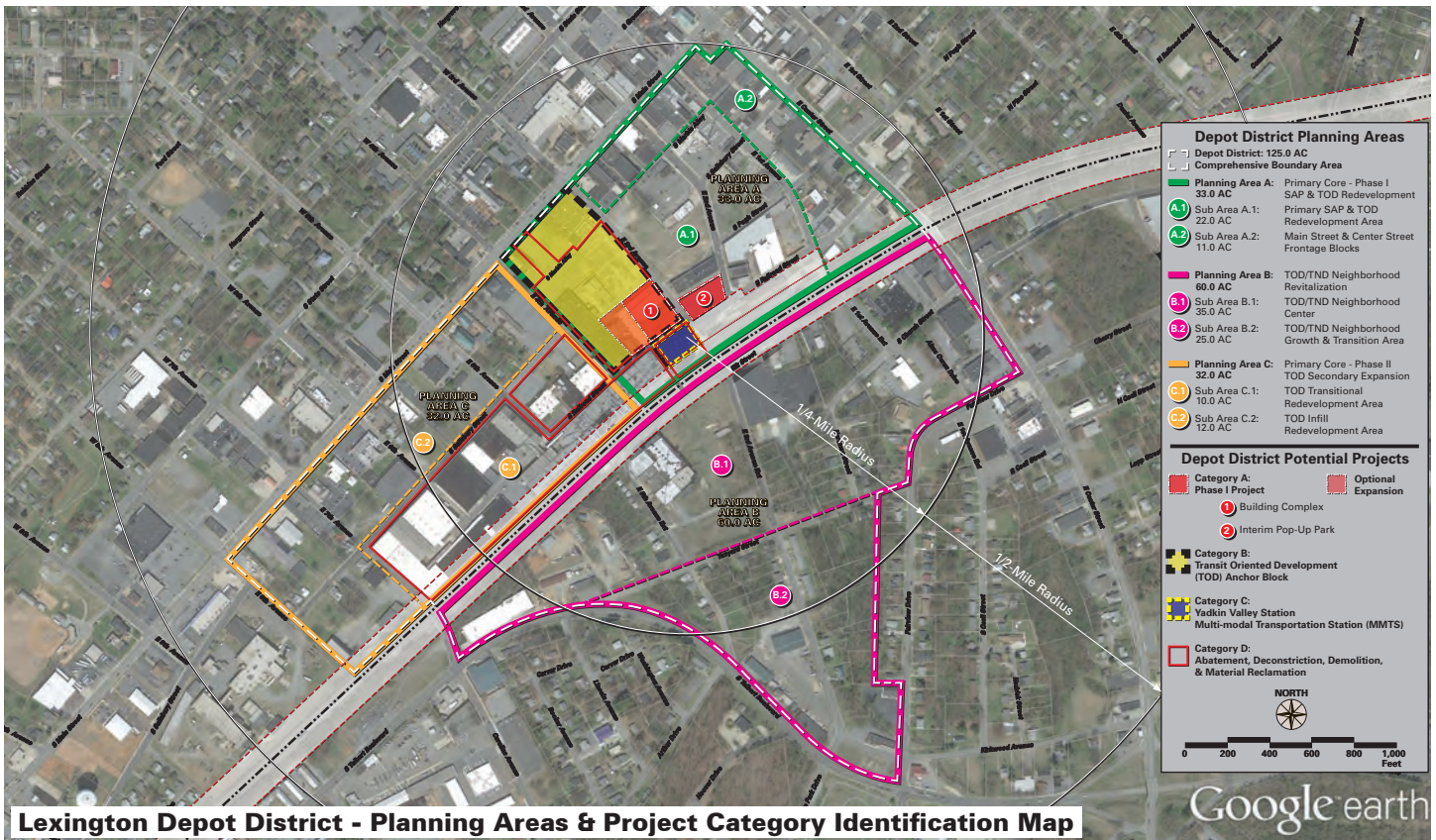
1.2 Setting

- 1.2.1 City of Lexington
- 1.2.2 Depot District
- 1.2.3 City-Owned Property: Former Lexington Home Brands (LHB)
- 1.2.4 Station Area Plan (SAP)

1.3 Depot District Master Planning

- 1.3.1 Overview & Status
- 1.3.2 Depot District Planning Areas
- 1.3.3 Master Regulating Plan & Form Based Code

Lexington Depot District



IV. PROJECT CATEGORIES

The City, with guidance and oversight by the Lexington Redevelopment Commission (LRC), has advanced focus and efforts to address the range of readiness, concurrent planning initiatives, and existing facilities evaluations in support of initiating redevelopment within the Station Area Plan (SAP) and the encompassing Depot District. Accordingly, four distinct Project Categories with a ranging and incremental scope of potential redevelopment have been established for response by interested Developers and/or Contractors:

CATEGORY A: Phase I Project

CATEGORY B: TOD Anchor Block

CATEGORY C: Yadkin Valley Station - Multi-Modal Transportation Station (MMTS)

CATEGORY D: Abatement, Deconstruction, Demolition, & Material Reclamation

For consideration, each Project Category is detailed separately and organized in three parts: **Project Description**, **Project Vision**, and **Development Concepts**. The City is receptive to expressions of interest from Developers and/or Contractors who wish to include a response and creative approach to: any individual Project Category, combination of Project Categories, or all Project Categories based upon a specific area of expertise supporting the implementation of a broader development strategy and concept. Illustrative Development Concepts have been identified for each Project Category that reflect initial Depot District planning and preliminarily established City goals and objectives. However, respondents are encouraged to utilize, modify, or formulate new, innovative approaches to achieve the City's goals and successful near-term phased project implementation. The City looks forward to working closely with the preferred respondent(s) to finalize project plans and development approaches to achieve near-term implementation.



PROJECT CATEGORY A: PHASE I PROJECT

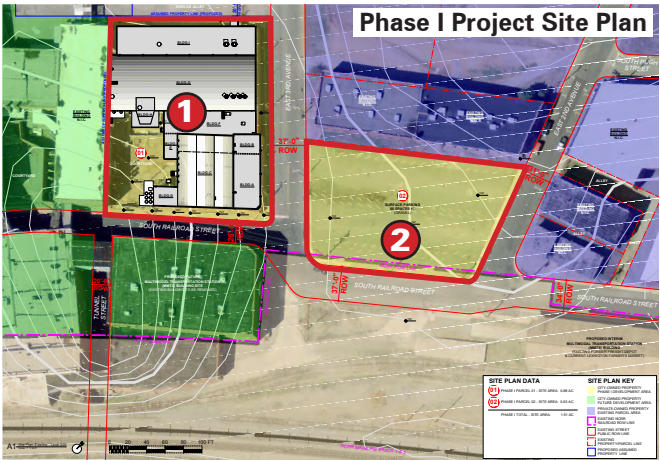
Link: <https://shookkelley.sharefile.com/d/sc64eca7a6914e9c8>

PROJECT DESCRIPTION

In November 2013, the COL initiated planning for a Depot District Phase I Redevelopment project that will include the adaptive reuse of a potential historic building and several adjacent structures into a mixed-use entertainment (music and dining) venue. The Phase I Project is contained within an approximately 1.51 acre portion of the city-owned property (former LHB), and is situated prominently in the center of the Depot District on the corner of South Railroad Street and East 3rd Avenue. In addition, the Phase I Project is located adjacent the proposed Yadkin Valley Station and associated SAP Project Area.

The Phase I Project is comprised of two Key Components:

- 1. Building Complex: 0.88 Acres (GBA: 31,771 SF)
- 2. Interim Pop-Up Park: 0.63 Acres



PROJECT VISION

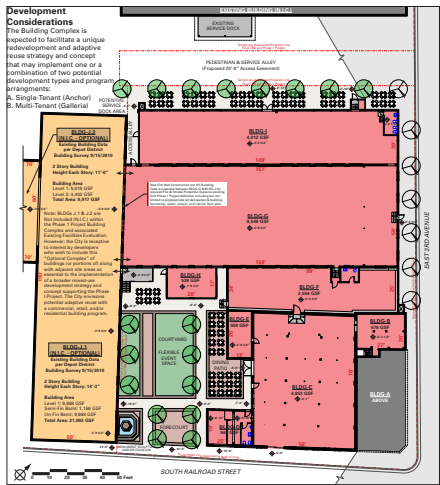
The City envisions a redevelopment strategy for the Depot District focused initially on the adaptive reuse of existing buildings, anchored by the Building Complex, together with improvements to adjacent segments of the Primary Access Streets (East 2nd Avenue, East 3rd Avenue, and South Railroad Street) framing the proposed Interim Pop-Up Park and future Depot Square.

DEVELOPMENT CONCEPTS

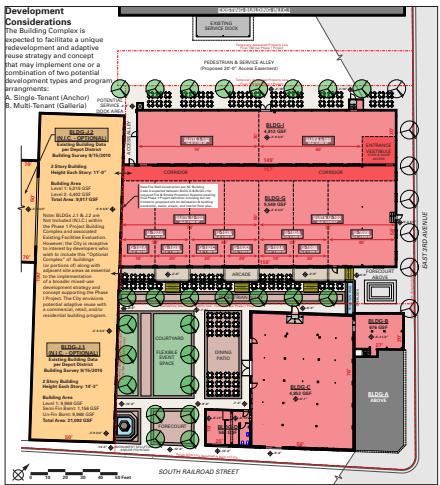
The City has generated three preliminary options for the redevelopment and adaptive reuse of the existing Building Complex in support of the vision for a mixed-use entertainment program within the Phase 1 Project:

- Option A.1: Complex A: Intact - Entire Existing Complex
- Option A.2: Complex B: Modified - New Pedestrian Alley
- Option A.3: Complex C: Modified - New Pedestrian Alley + Plaza

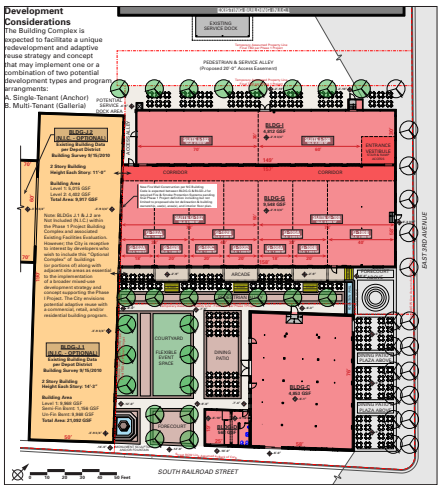
The City envisions one consolidated development strategy for the Building Complex together with the Interim Pop-up Park; however, the City is receptive to a creative development strategy that subdivides the Building Complex site into two separate parcels delineating each building Group as independent projects.



Option A.1: Complex A



Option A.2: Complex B



Option A.3: Complex C

Lexington Depot District

PROJECT CATEGORY B: TOD ANCHOR BLOCK

Link: <https://shookkelley.sharefile.com/d/s1d787f9e254436da>

PROJECT DESCRIPTION

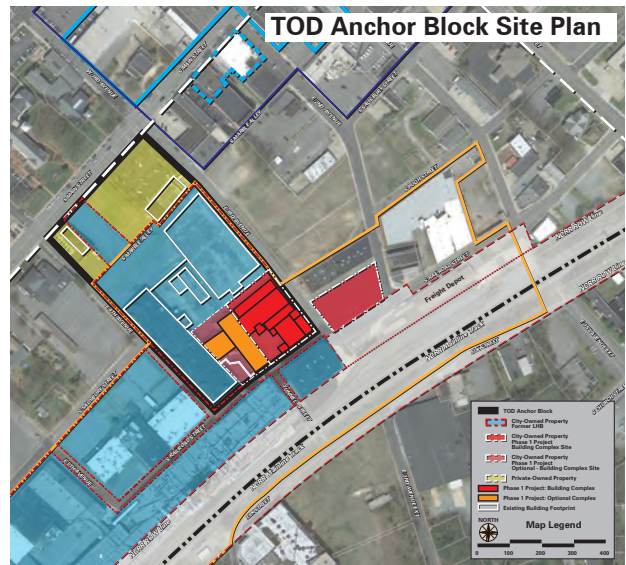
The proposed TOD Anchor Block (rectangular block: approximately 425 Feet x 750 Feet; and 7.25 Acres) consists of the Category A – Phase I Project (Building Complex) together with both City (former LHB) and Private Owned properties situated within the encompassing block area defined by South Main Street, South Railroad Street, East 3rd Avenue, and East 4th Avenue.

Site Data

City-Owned Property Area: 5.64 Acres
 Category A Area: 1.51 Acres
 Optional Expansion Area: 4.13 Acres

Private-Owned Property Area: 1.61 Acres

Total Anchor Block Site Area: 7.25 Acres



PROJECT VISION

The City envisions the redevelopment of this block (completed at once or incrementally phased), together with the Phase I Project, as a transit-oriented development and mixed-use anchor centrally located within the greater Depot District and facilitating connections between the adjacent SAP (including the Interim and Future MMTS Building) and Uptown Lexington. The TOD Anchor Block is still in the early planning stages within the ongoing comprehensive master planning of the Depot District; however, the City has established several Organizing Principles to describe the current Project Vision.

DEVELOPMENT CONCEPTS

The City has advanced preliminary planning and created several Development Concepts that integrate the Organizing Principles and illustrate a potential configuration and programming of the TOD Anchor Block to evaluate a revitalized context supporting the Phase I Project. A variety of block compositions are conceived to demonstrate the inherent flexibility of the Anchor Block to achieve a range of mixed-use development scenarios relative to the established Organizing Principles.

Accordingly, a total of eight proposed Development Concept diagrams are organized and defined by options that consider two potential locations for a new public park (Central Park) conceived as a monumental urban space containing a permanent amphitheater together with several landscape features including gardens, fountains, and seating areas connected by pedestrian and bicycle pathways.

OPTION A CONCEPTS

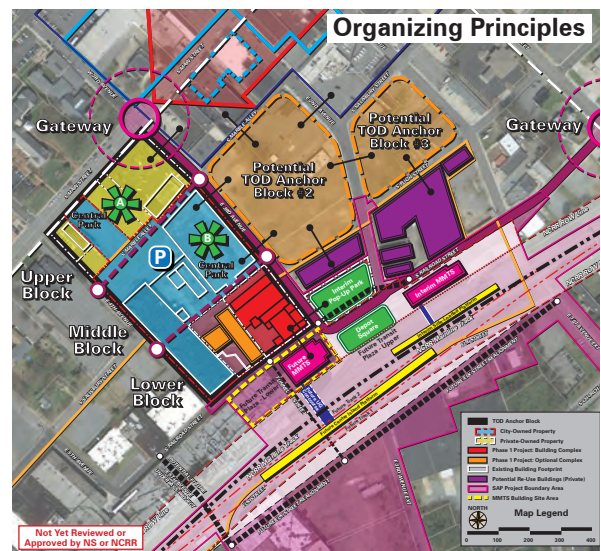
Central Park Location: South Main Street

Option A Concepts position Central Park with frontage along South Main Street.

OPTION B CONCEPTS

Central Park Location: East 3rd Avenue

Option B Concepts position Central Park with frontage along East 3rd Avenue.



PROJECT CATEGORY C: YADKIN VALLEY STATION - MMTS

Link: <https://shookkelley.sharefile.com/d/sf683343fc4546119>

PROJECT DESCRIPTION

The City is currently working with the Federal Rail Administration (FRA), NCDOT Rail Division, Amtrak, North Carolina Railroad Company (NCR), and Norfolk Southern (NS), together with their partners in Davidson County, Piedmont Authority for Regional Transportation (PART), and Piedmont Triad Regional Council (PTRC), to re-establish passenger rail service in Lexington. Accordingly, the Yadkin Valley Station (SAP Project) will be implemented and anchored by a new Multi-modal Transportation Station (MMTS) Building constructed as the primary facility for train passengers, enabling connections to other transit modes including pedestrian, bicycle, automobile, taxicab, and bus with local and regional service.

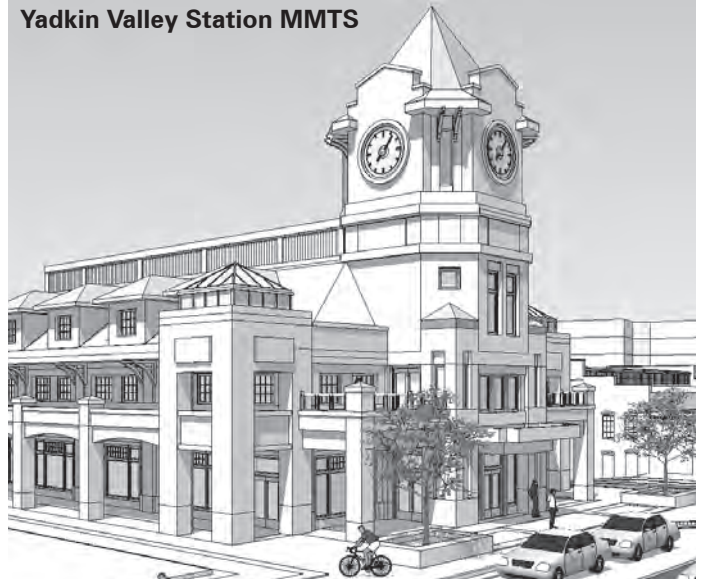
In August 2014, the City's consultant team will complete all aspects of the SAP Project as supported by the USDOT TIGER II Planning Grant including:

Transit Architecture: Schematic Design (SD) - for a new MMTS building, passenger rail concourse, and associated SAP site components.

Transit Infrastructure: Preliminary Engineering (PE) – 30% Design Documents – for a new passenger rail Center Island Platform (CIP), and associated track work.

National Environmental Policy Act (NEPA) Process: Environmental Assessment (EA) Complete with Finding of No Significant Impact (FONSI) (Possible as early as August 2014).

Yadkin Valley Station MMTS



PROJECT VISION

The City has developed two alternative Visions for the Build-Out MMTS Building as either a Single-Use or Mixed-Use Facility:

A. MMTS Single-Use Facility: *Basic Station Functions + "Incidental" Joint Commercial Development*

The MMTS Single-Use Facility scenario represents the current MMTS Building design, described by the TIGER II Planning Grant, as potential Federal funding assistance (if provided in the future) is expected to support construction of the entire facility. However, the City welcomes interest by Developers who wish to participate in joint development opportunities through Public Private Partnerships specifically for advancing the design, construction, and operation of the MMTS Single-Use Facility.

B. MMTS Mixed-Use Facility: *Basic Station Functions + "Expanded" Joint Commercial Development*

Potential Federal funding assistance (if provided in the future) for the MMTS Mixed-Use Facility scenario will support only the Basic Station Functions of the facility; therefore, the Expanded Joint Commercial Development must be funded by other means. Accordingly, the City is receptive to pursuing this scenario pending interest from Developers who wish to participate in joint development opportunities for the MMTS Mixed-Use Facility.

DEVELOPMENT CONCEPTS

The City has prepared Schematic Designs for the MMTS Building based upon a program for the Single-Use Facility: Basic Station Functions + "Incidental" Joint Commercial Development. While a detailed concept for the MMTS Mixed-Use Facility has not been fully developed, the Single-Use Facility is currently organized and designed with flexibility to accommodate a logical integration (by means of additional floor level(s) and circulation components) of an expanded mixed-use program if the COL decides to pursue independently or through a Public Private Partnership.

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PROJECT CATEGORY D: ABATEMENT, DECONSTRUCTION, DEMOLITION, & MATERIAL RECLAMATION

Link: <https://shookkelley.sharefile.com/d/s00460bf0d2841869>

PROJECT DESCRIPTION

The City currently owns the former LHB furniture manufacturing complex is situated on approximately 18 acres within the Depot District and is characterized by approximately twenty-eight (28) purpose-built and irregular warehouse buildings (total building area is approximately one million gross square feet) connected directly to each other with shared walls or enclosed bridge structures. Currently, approximately four (4) former LHB buildings, or portions of, are leased from the City for storage uses and the remaining twenty-four (24) former LHB buildings are vacant and/or underutilized.

PROJECT VISION

The City intends to designate specific buildings as available for continued lease and adaptive reuse opportunities within the redevelopment of the Depot District; however, while the City is amenable to development approaches that incorporate a feasible adaptive reuse of additional buildings, specific buildings (and associated sites) within each Project Category A-C have been identified for potential deconstruction or demolition along with associated abatement and material reclamation to facilitate the City's vision for redevelopment of the Depot District.

The City welcomes an approach by interested Developers who may wish to include building and site abatement, deconstruction, demolition, and material reclamation services as an integral aspect to the implementation of the specific Project concept; or, by Independent Contractors who may wish to provide only these services in advance of, or concurrently and in coordination with the Developer(s) of specific redevelopment Projects.

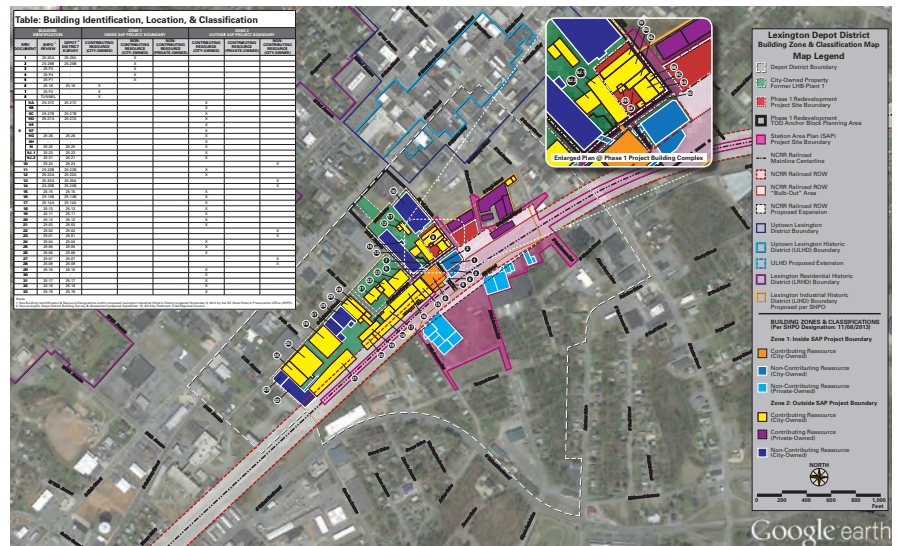
DEVELOPMENT CONCEPTS

Given the incremental and purpose-built nature of the nature of existing former LHB buildings, the City expects a specific deconstruction or demolition method must be prepared for each of two primary existing building and associated site situations:

Free Standing: Building or groups of connected buildings that are free standing and may be completely deconstructed or demolished without interference by or repair to adjacent buildings or structures. The potential scope of work is expected to include deconstruction or demolition of the building structure and associated site area, along with potential shoring of adjacent nearby buildings to facilitate structural stability.

Attached/Encased: Building or groups of connected buildings that are attached, share walls, or encased by adjacent buildings designated to remain intact and must be selectively deconstructed or demolished to avoid or minimize impacts. The potential scope of work is expected to include deconstruction or demolition of the building structure and associated site area up to the location of existing abutment or determined decoupling line, along with shoring and/or construction of a new exterior building wall or infill panels as required to facilitate structural stability and enclosure of the existing adjacent building(s) that remain.

The City envisions the former LHB buildings and site features under consideration will all be evaluated prior to deconstruction or demolition for potential material reclamation (**Reuse or Recycle**) opportunities within other proposed Project construction elements.



Depot District - Building Zone & Classification Map

V. VISION & AVAILABLE ASSISTANCE

For each selected Project Category, the City foresees that the Developer and/or Contractor will be primarily responsible for all or portions of the following actions: abatement, deconstruction, demolition, material reclamation, construction, financing, management, and operations.

To facilitate the implementation of each Project Category and redevelopment of the Depot District, the City is willing to consider necessary and appropriate assistance, which may include:

- Reduction in sale price.
- Long term lease arrangement.
- Assistance in facilitating approvals.
- Facilitation of licenses and approvals including, historic tax credits, tax abatement, tax increment financing / PILOT, etc.
- Providing necessary infrastructure and funding.
- Credit enhancement.
- Financial assistance through secondary financing.
- Performance grants.
- Operating lease commitments.
- Other necessary and appropriate assistance.

To the degree that the City provides various types of development assistance, the City would expect an opportunity to participate in the financial rewards of the selected Project Category(s) after the developer receives a preferred return. The City is willing to entertain various potential approaches to be considered for reuse financing and operation. The Developer and/or Contractor is encouraged to formulate flexible, creative and innovative approaches identifying private and public sector roles and responsibilities and delineating desired City assistance (as listed above). In addition, the Developer and/or Contractor will create a financial and funding approach that assures successful redevelopment and operation of the selected Project Category(s) to achieve a reasonable private sector return and a project most advantageous to the City. We understand the need to support debt and a reasonable return on investment.

VI. SUBMISSION REQUIREMENTS

The objective of this RFEI is to identify the most interested and qualified Developers and/or Contractors based on key factors outlined in this section. It is the intent of the City of Lexington to develop a short list of the most highly qualified Developers and/or Contractors and move forward with implementation on a 'fast-track' basis.

Responses to the RFEI will be evaluated based upon information provided in the following recommended format. Concise and non-elaborate responses are encouraged. No design or financial drawings or financing analysis are required at this time. A two to four page RFEI Summary Letter with supporting information is desired, addressing the following items:

A. Development Team Information.

- a. Cover Letter of Interest.
- b. Development/Contractor Leader Identification.
 - i. Name, address, phone, email and web page.
 - ii. Contact information of primary point of contact.
 - iii. Brief history and description and likely project team and firms.
 - iv. Resumes of key individuals including their roles and responsibilities.
- c. Development/Contractor Team Member Identification.
 - i. Description of key project participations (firms), including their roles and responsibilities.
 - ii. Resumes of key team partners.
 - iii. Description of previous joint working experience of team members, include specific projects.

B. Vision and Development Strategy.

- a. Brief narrative description of project understanding and proposed approach related to the following:
 - i. Approach to City objectives.
 - ii. Technical and regulatory issues associated with the approach.
 - iii. Assumed respondent roles/responsibilities.
 - iv. Any project phasing.
 - v. Public / private partnership opportunities.
 - vi. Description of what the public sector / City would provide related to their proposal.

C. Relevant Project Experience.

- a. Project name and location.
- b. Summary description (uses, total project size in square feet and size by use, etc.).
- c. Description of project challenges, if any, and how they were overcome.
- d. Description of public / private structure (if applicable) and current ownership and financial structure.
- e. Financing sources (amount / type of equity contributed, amount of debt financed, public finding / incentives used).
- f. Client reference (contact name, phone number, e-mail address).

D. Financial Capacity.

- a. Description of project team's past projects and/or real estate portfolio, including total amount (\$) of development constructed.
- b. Summary of respondent's recent history in obtaining financing for relevant projects including financing sources, amounts financed, type / amount of equity contributed, etc.
- c. Anticipated approach to project financing including anticipated public and private sector roles and responsibilities and public / private partnerships.

VII. EVALUATION CRITERIA

General criteria that will be used to evaluate RFEI responses will include the following:

- A. Quality of project team and organizational structure.
- B. Relevant project experience, including downtown environments.
- C. Vision and development strategy.
- D. Financial capacity.
- E. Demonstrated success on public / private partnership development projects.
- F. Commitment to public policy goals and objectives.
- G. References.

The City will evaluate all submissions and shall reserve the right to request additional information and conduct interviews with the most qualified development teams.

VIII. SUBMISSION FORMAT

Interested Developers and/or Contractors must submit five (5) bound original copies of the RFEI Submittal printed on 8-1/2" x 11" paper and one (1) CD or USB-drive containing a digital copy of the complete RFEI Submittal in PDF format.

Lexington Depot District

IX. SCHEDULE

Please find below an estimated schedule for the RFEI developer solicitation process:

• Release of RFEI	July 22, 2014	
• Notification of Intent*	5:00 pm, September 5, 2014	⚠
• Pre-Submittal Meeting & Site Tour** (Not Mandatory) Meet at City Hall Council Chamber - 28 W. Center St.	10:00 am - 2:00 pm, September 12, 2014	⚠
• Deadline for Questions***	5:00 pm, September 19, 2014	⚠
• City Response to Questions	5:00 pm, September 26, 2014	⚠
• RFEI Submission Due	5:00 pm, October 17, 2014	⚠
• RFEI Evaluation & Shortlist of Respondents	TBD Late October 2014	
• Interview Shortlist Respondents	TBD Early November 2014	

* Interested Developers and/or Contractors shall submit a **Notification of Intent** indicating:

- A. Anticipated Project Category(s) Selection.
- B. Attendance at the Pre-Submittal Meeting & Site Tour (encouraged, but not mandatory).

Developers and/or Contractors submitting a **Notification of Intent** will receive the following:

- List of all respondents submitting a Notification of Intent.
- All written responses to any questions and/or inquiries.
- Any changes in or modifications to the RFEI document.

** Representatives with the City will provide a non-mandatory Pre-Submittal Meeting and Site Tour. Interested respondents shall notify the City by September 3, 2014 of their intent to attend the Pre-Submittal Meeting & Site Tour.

*** Written and/or Emailed questions and/or inquiries are preferred for City response. Any verbal discussions or statements are not necessarily binding upon the City.

X. ADDITIONAL INFORMATION

Lexington Depot District - RFEI: Document Library

The Lexington Depot District Document Library (DL) is provided with access to a file server via web links for reference and support of the RFEI Document. All DL files are referenced by prefix identification number (DL:#) and name description. Links to specific DL files are provided within the following documents accessed via this RFEI Document:

PROJECT INTRODUCTION

- CATEGORY A:** Phase I Project
- CATEGORY B:** TOD Anchor Block
- CATEGORY C:** Yadkin Valley Station - Multi-Modal Transportation Station (MMTS)
- CATEGORY D:** Abatement, Deconstruction, Demolition, & Material Reclamation

Note: Some document library files are large and/or contain multiple documents. Accordingly, downloads of selected Document Library files may take several minutes to download completely, depending on bandwidth.

For additional information, please contact:

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